I.   Summary of the Final Office Action

Claims 1-62 are pending in this application.

Claims 1-9, 12, 17, 18, 20-22, 30 and 31 were rejected under 35 U.S.C. § 102(b) as being anticipated by Gordon U.S. patent 2,271,508 (hereinafter "Gordon"). Claims 10, 11, 13-16, 23-39 and 32-62 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Gordon in view of Mindes U.S. patent 5,573,244 (hereinafter "Mindes").

II.   Summary of Applicants' Reply to Final Office Action

The Final Office Action's rejections are respectfully traversed. Applicants respectfully submit that this application is allowable over the references of record.

III.   The Rejections Under 35 U.S.C. § 102

A.   Claim 1

Applicants' independent claim 1 is directed towards a method for providing the projected effects of wagering on parimutuel pools to a user in an interactive wagering system. A user input proposing a wager that is associated with at least one parimutuel pool is received. Information that affects the user's potential winnings based on the user input is obtained. The projected effect that the user's proposed wager would have on the parimutuel pool is provided to the user.

The Final Office Action maintains its contention that Gordon shows a method for providing the projected effects of wagering on parimutuel pools based on a user's proposed wager (see September 19, 2004 Final Office Action, page 2). Applicants continue to respectfully disagree. The previous Office Action relied on FIGS. 2-4 of Gordon, and the corresponding disclosure, in alleging applicants' claims were

2

anticipated. The Office Action contended that the input into
the betting device of FIGS. 2-4, which increased the resistances
of the circuits in the bridges of FIG. 1, represents a proposed
bet. (See March 10, 2004 Office Action, pages 2-3). As
described in applicants' June 10, 2004 Reply to Office Action
(hereinafter "Reply"), Gordon simply discloses providing current
parimutuel pool odds based on bets that have been placed. More
specifically, applicants submitted in the Reply that no aspect
of the bet described in Gordon may be considered "proposed." A
proposed bet is a bet that has not been placed -- e.g., a bet
that has not been finalized by a user. (See applicants'
specification, e.g., step 1732 of FIG. 17B).

In order to contrast Gordon's actual bets with
applicants' proposed wagers, applicants' Reply provided a
detailed explanation of the device identified by the Office
Action in FIGS. 2-4 of Gordon (see Reply, pages 3-7).
Applicants explained that, in Gordon, the amount inputted is an
actual bet because the inputted amount changed the state of the
calculating device (i.e., the inputted amount changed the
resistance values of the bridges). Meaning, the inputted amount
was added to the resistances which store the total amount
wagered on the horse (e.g., bridge A) and added to the
resistances which store the total amount wagered in the
parimutuel pool (e.g., bridge C). Because these resistances are
stored in the calculating device, the inputted amounts are
considered part of the current parimutuel pool and are thus
actual bets. (See Gordon, FIG. 1).

Despite the March 10, 2004 Office Action's rejection
being under § 102, it did not provide any justification for how
Gordon's actual bets could allegedly be considered proposed

3

bets. Applicants' Reply explained that in order for these actual bets to even possibly be considered a proposed wager, which they are not, the actual bets would have to be capable of being removed from the parimutuel pool. The Reply continued that for an actual bet to be removed, the calculating device would have to decrease the resistances representing the amount bet and, additionally, readjust the odds. Because the Office Action's rejection was limited to FIGS. 2-4, applicants' Reply explained that nothing in FIGS. 2-4, nor in the corresponding disclosure, allowed for decreasing the amounts inputted. Applicants' Reply provided two examples of disclosure with respect to FIGS. 2-4 showing that an actual bet could not be removed.

One example showed that discs 84 and 85 rotate counterclockwise, increasing the resistances in the circuits/bridges for the horse bet on, which propagates changes to the resistances in the other bridges. The betting device of FIGS. 2-4 is constructed to only allow discs 84 and 85 to be rotated counterclockwise. Any clockwise rotation, which might conceivably decrease the resistances, is prevented by a mechanism placed in the betting device. (See Reply, pages 5-6; see also, Gordon, page 3, column 2, line 30 - page 4, column 1, line 37). A second example showed that discs 84 and 85 can be reset to the zero resistance, or starting position, thus resetting the total amount bet on a horse to zero. As explained in applicants' Reply, this fails, however, to affect removal of a particular bet for the parimutuel pool. Thus, Gordon only shows here the ability to reset all bets placed at the betting device. (See Reply, pages 6-7; see also, Gordon, page 4, column 1, lines 38-44). Therefore, in both of these examples,

4

the device does not allow for a particular bet to be removed by decreasing resistances.

In response to applicants' remarks in the Reply, the Final Office Action points to references within Gordon's disclosure (not relied upon in the previous Office Action) in an attempt to show that bets can be removed. Because applicants' remarks explained that FIGS. 2-4 could not show removal of bets because it could not decrease resistances, the Final Office Action pointed to a different device in Gordon to show decreasing resistances. The Final Office Action then essentially concludes that because a subtraction feature is shown, Gordon discloses proposed bets like in applicants' claim. (See Final Office Action, page 6). This conclusory assertion fails for the following reasons.

First, applicants' arguments with respect to Gordon's inability to remove inputted actual bets in FIGS. 2-4 was merely illustrative as to why applicants' claims were not anticipated. The Final Office Action pointing to another device in Gordon that discloses decreasing resistances in an attempt to show removal of actual bets does not now show applicants' features of: (a) receiving user input to propose a wager that is associated with at least one parimutuel pool; (b) obtaining information that affects the user's potential winnings based on the user input; and (c) providing what projected effect the user's proposed wager would have on the parimutuel pool to the user.

Furthermore, even if a subtraction feature is shown, it does not mean that Gordon teaches removing a particular bet in the parimutuel pool. One of the sections the Final Office Action relies upon relates to FIGS. 2-4 and is disclosed in

5

Gordon on page 4, column 1, lines 38-48. As applicants explained above, and in the previous Reply, this section of Gordon only shows that the resistances can be reset to the zero. This does not show or suggest removal of a particular bet to show the "projected effect [a] proposed wager would have on the parimutuel pool."

The other sections relied on by the Final Office Action to show the subtraction feature relate to a different device within Gordon which was not previously used in rejecting applicants' claims. This device relates to the resistance varying and indicating device of FIGS. 5-8. Although this device discloses decreasing resistances, the disclosure relating to the device of FIGS. 5-8 fails for similar reasons that the disclosure relating to the device of FIGS. 2-4 fail. Gordon does not show that in the device of FIGS. 5-8 the decreasing of the resistances is by any particular amount. More particularly, it does not show that the decreasing of the resistances is by the amount of a "proposed wager," or even by the amount of the actual bet disclosed in Gordon.

In addition, the Final Office Action concludes that the bet disclosed must be a proposed bet, as opposed to an actual (or finalized) bet as applicants contend, because Gordon includes a subtraction feature:

> Thus Gordon's device is designed to be able to calculate the effect on odds of proposed bets as opposed to being limited to calculating the effect of finalized bets. After all, one does not go up to the window and ask for one's money back. If only finalized bets were used to calculate odds, there would be no need to have a subtraction feature. (Final Office Action, page 6).

Applicants respectfully disagree with the Final Office Action's conclusion.

6

First, the subtraction feature is not disclosed as removing what the Final Office Action allegedly refers to as proposed bets. It is unclear from Gordon on what basis the deductions are made and how the values for these deductions are determined. Gordon does not show or suggest that these deductions are made based on any particular bet amount.

Second, in contrast to the Final Office Action's allegations, the subtraction feature can be provided for many reasons other than for purposes of calculating projected effects of proposed bets. For example, one could imagine that the subtraction feature in the device of FIGS. 5-8 could be used to reset all bets placed at the betting device. This resetting feature is similar to the example described above relating to FIGS. 2-4. Although the resetting feature with respect to FIGS. 5-8 is not disclosed, applicants submit this is a more likely reason the subtraction feature exists.

At least for the foregoing reasons, applicants submit that Gordon fails to show applicants' invention as specified by claim 1. It is well known that "[a]nticipation under Section 102 can be found only if a reference shows exactly what is claimed; where there are differences between the reference disclosure and the claim, a rejection must be based on obviousness under Section 103." Titanium Metals Corp. v. Banner, 778 F.2d 775, 227 USPQ 773 (Fed. Cir. 1985); see also MPEP § 2131.03. However, "[e]ven when obviousness is based on a single prior art reference, there must be a showing of a suggestion to modify the teachings of that reference." In re Kotzab, 217 F.3d 1365, 1370, 55 U.S.P.Q. 1313, 1316-1317 (Fed. Cir. 2000) (emphasis added). Applicants submit that based on the remarks provided above, even if the rejection were made

under § 103, Gordon would fail to suggest applicants' invention as specified in claim 1.

Accordingly, Gordon fails to show or suggest applicants' invention as specified by claim 1. For at least this reason, applicants respectfully request that the rejection of claim 1 under 35 U.S.C. § 102(b) be withdrawn.

B.   Claim 17

Applicants' independent claim 17 is directed towards a method for providing the projected effects of wagering on odds associated with a proposed wager in an interactive wagering system. A user input to create the proposed wager that is associated with at least one parimutuel pool is received. Parimutuel pool information and current odds for the proposed wager are obtained. The effect that the proposed wager would have on the current odds is determined and projected odds are provided to the user.

The Final Office Action rejected independent claim 17 for the same reason as independent claim 1 (see Final Office Action, page 2). As demonstrated above, and in applicants' previous Reply, Gordon merely shows a device that calculates the total amount bet on each horse in a race, the total amount bet on all the horses in the race and the odds on each horse in the race.

Accordingly, Gordon fails to show or suggest determining the effect that the user's proposed wager would have on the current odds as specified by claim 17. In addition, Gordon fails to show or suggest providing projected odds to the user as specified by claim 17. For at least these reasons, applicants respectfully request that the rejection of claim 17 under 35 U.S.C. § 102(b) be withdrawn.

8

IV.   The Rejections Under 35 U.S.C. § 103
        Of Claims 32 and 48

        Applicants' independent claim 32 is directed towards
an interactive wagering system for providing the projected
effects of wagering on parimutuel pools to a user. A user input
device receives user input to propose a wager that is associated
with at least one parimutuel pool. Circuitry is configured to
obtain information for the proposed wager that affect user's
potential winnings based on the user input and display what
projected effects the user's proposed wager would have on the
parimutuel pool to the user.

        Applicants' independent claim 48 is directed towards
an interactive wagering system for providing what effect
wagering would have on current odds associated with a proposed
wager. A user input device receives user input to create the
proposed wager that is associated with at least one parimutuel
pool. Circuitry is configured to obtain parimutuel pool
information and current odds for the proposed wager, to
determine what projected effects the wager can have on the
current odds and to display projected odds to the user.

        The Final Office Action admitted that "Gordon does not
teach use of a digital computer" and attempts to modify Gordon
with Mindes to show applicants' approaches (Final Office Action,
page 5). As demonstrated above, Gordon fails to show or suggest
all of applicants' claimed features because it does not show or
suggest providing what the projected effect the user's proposed
wager would have on the parimutuel pool and it does not show or
suggest determining the effect the proposed wager would have on
the current odds and providing projected odds to the user.

        Therefore, even if Gordon were modified with Mindes,
the combination would fail to show or suggest all of the

features of claims 32 and 48. For at least this reason, applicants respectfully request that the rejection of claims 32 and 48 under 35 U.S.C. § 103(a) be withdrawn.

V.   Dependent Claims 2-16, 18-31, 33-47 and 49-62

Claims 2-16 are dependent from claim 1 and are allowable at least because claim 1 is allowable. Claims 18-31 are dependent from claim 17 and are allowable at least because claim 17 is allowable. Claims 33-47 are dependent from claim 32 and are allowable at least because claim 32 is allowable. Claims 49-62 are dependent from claim 48 and are allowable at least because claim 48 is allowable.

VI.   Conclusion

The foregoing demonstrates that claims 1-62 are patentable. This application is therefore in condition for allowance. Reconsideration and allowance are accordingly respectfully requested.

Respectfully submitted,
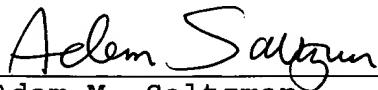
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